

**TESTIMONY OF Peter C. MacKay, The Roseland Management Group, LLC  
IN OPPOSITION TO  
HB 6367- AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR  
HUMAN SERVICES PROGRAMS.**

Senator Slossberg, Representative Abercrombie and members of the Committee to the Human Services Committee, my name is Peter C. MacKay. I am the Owner/Administrator of The Roseland Management Group, LLC, and I am the Treasurer of CARCH. I want to offer my strong opposition to the Governor's Budget, specifically the capping of Residential Care Home rates and elimination of the small partial rate increase from last year in Section 9.

The Roseland has been in operation since July 2005. Our primary purpose is to provide a safe, clean, and stable environment for the less fortunate people of our society. We provide the much needed supervision and support to the mentally disabled population at a great cost savings to the State of Connecticut in comparison to any other options available. The need for these types of homes can not be overstated. Many of the people in this population cannot maintain the stability required to function in a safe manner on their own. And when left to their own devices will as they have proven in the past, degrade to a point where they are in danger of injuring themselves or even worse, other people in the general population.

As you are well aware, our rates have been frozen for the past three years and this is causing a severe hardship for these homes to survive.

Over the past three years, we at the Roseland have had to make several improvements to the facility to stay in compliance with the ever changing and increasing unfunded mandates put forth by the State of Connecticut. Though I whole heartedly agree with the mandates to help provide a better environment and possibly some savings to the State, they need to be paid for. I am sure you know that we work on a reimbursement system for our rate setting. We have over the past three years seen increases in our capital expenditures and operating expenses without being reimbursed for them. The new regulations for our Attendants to be med certified has resulted in an increase of our liability insurance from \$2,223 in cost year 2010 to \$6,328 in cost year 2012, and increase of 184% during a period of frozen rates. To heat this building for cost 2010 was \$26,740 and for cost year 2012 was \$30,901, an increase of 15%, again during a period of rate freezing. Needless to say, continuing at the existing rate is not a feasible option.

In March of last year, I personally was not able to cash my paycheck for four (4) weeks to help provide the cash flow needed to put oil into the tank and heat this building. The increase this year of 1% and the relatively mild winter is the only thing letting me bring home a paycheck so that I am able to provide for my family. This is totally inappropriate considering I have had a proposal to add rooms to this facility on the desks of DSS for over 1-1/2 years. This proposal not only spells out how we could add these much needed rooms, but how they would allow us the cash flow to restructure in how we run this business and save the State of Connecticut hundreds of thousands of dollars.

In conclusion, I strongly object to the above mentioned rate cap that is proposed. Though I can appreciate the position that the State of Connecticut is in, I don't feel it fair to the owners of these homes to have to provide monies out of their own pockets to help the State of Connecticut balance its budget.

Thank You, for allowing me to voice my opinion and concerns,

Respectfully submitted,

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